

ORIGINAL

NEW APPLICATION



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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATE

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APPLICATION OF HYPERCUBE TELECOM,
L.L.C. FOR AN ORDER RESCINDING ITS BOND
REQUIREMENT.

DOCKET NO. T-20805A-14-0093

**APPLICATION TO RESCIND BOND
REQUIREMENT**

Hypercube Telecom, LLC ("Hypercube") requests rescission of the \$235,000 bond requirement ordered in Decision No. 73154 (May 18, 2012), and return of the bond to Hypercube.

In support of its application, Hypercube provides the following information:

1. Hypercube is authorized to provide resold and facilities-based local exchange and facilities-based long distance telecommunications services to business customers in Arizona. Hypercube is a foreign limited liability company under the laws of Delaware, but is authorized to transact business in the State of Arizona. Currently, Hypercube serves commercial customers in 43 states. Hypercube does not collect any customer deposits in Arizona.

2. Hypercube is a wholly-owned subsidiary of Hypercube, LLC ("Hypercube Parent") which was acquired by West Corporation ("West"). Through its subsidiaries, West provides primarily non-regulated services, including conferencing and other meeting replacement services, alerts and notifications services, emergency communications services, automated call processing, interconnected VOIP services and agent-based services including inbound customer care in the U.S., as well as other parts of North America, Europe and Asia.

3. Hypercube was awarded a certificate of convenience and necessity to provide competitive resold and facilities-based local exchange, exchange access, and interexchange telecommunications services in Decision No. 73154. As a condition of approval, the Commission required Hypercube to procure a performance bond or irrevocable sight draft letter of credit

1 ("ISDLOC") of \$235,000. The Commission further ordered that the bond should increase by
2 \$117,500 if the total of advances, deposits and/or prepayments is within \$23,500 of the bond
3 amount. Hypercube currently has an ISDLOC of \$235,000 in effect through June 30, 2014.

4 4. Hypercube has complied with all Commission requirements, including all of Staff
5 recommendations that the Commission adopted in Decision No. 73154, as set forth in Findings of
6 Fact Nos. 45 through 48 and as modified by the Commission in that order. Hypercube has
7 complied with all applicable Commission rules, regulations and orders. There are currently no
8 active formal complaints against Hypercube, nor has it received any prior formal or informal
9 complaints since Decision No. 73154 was adopted.

10 5. The Commission recently, in appropriate circumstances, has not required a
11 performance bond or has been relieving CLECs of the performance bond requirement. Hypercube
12 believes that maintaining a performance bond in the amount of \$235,000 is no longer necessary
13 for it. Hypercube believes it has proven its financial, technical and managerial ability to provide
14 services in Arizona. It is a subsidiary of a large multinational corporation with significant
15 business operations and assets. Hypercube does not collect any deposits in Arizona. In addition,
16 Hypercube does not have any prepayment or advance payment policies. Rescinding the
17 performance bond/ISDLOC requirement will not alter rates, terms or conditions of service to
18 Hypercube customers in Arizona and will not adversely impact service.

19 6. Removing the bond requirement also would put Hypercube on equal footing with
20 other CLECs currently operating in Arizona, as well as incumbent service providers such as Qwest
21 Corporation, Inc. dba CenturyLink.

22 7. The Commission's Competitive Telecommunications Services Rules – A.A.C. 14-
23 2-1101 through 14-2-1115, which apply to Hypercube, do not require that Hypercube maintain a
24 performance bond as a condition of providing service in Arizona. Specifically, A.A.C. R14-2-
25 1105(D) states that the Commission "may require, as a precondition to certification, the
26 procurement of a performance bond sufficient to cover any advances or deposits the
27 telecommunications company may collect from its customers, or order that such advances or

1 deposits be held in escrow or trust.” In other words, the Commission has the authority and the
2 discretion to determine whether a performance bond is still appropriate for Hypercube. Because
3 of the circumstances described in the previous paragraphs, Hypercube believes the \$235,000
4 performance bond requirement should now be rescinded.

5 8. As stated above, the current \$235,000 ISDLOC is set to expire on June 30, 2014.
6 Hypercube requests this application resolved promptly in order to avoid the cost of acquiring a
7 new ISDLOC or bond shortly before that requirement is cancelled.

8 9. Upon cancellation of its bond requirement, Hypercube requests that the
9 Commission return the Hypercube bond in the Commission’s possession to:


10 Robert McCausland
11 Hypercube Telecom, LLC
12 3200 West Pleasant Run Road, Suite 300
Lancaster, Texas 75146

13 WHEREFORE, Hypercube, respectfully requests that the Commission rescind the
14 \$235,000 performance bond requirement for the reasons set forth in this filing.

15 RESPECTFULLY SUBMITTED this 18th day of March, 2014.

16 **ROSHKA DEWULF & PATTEN, PLC**

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19 By


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1 **ORIGINAL and 13 COPIES**

2 filed this 18th day of

3 March 2014 with:

4 Docket Control

5 ARIZONA CORPORATION COMMISSION

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7 Phoenix, Arizona 85007

8 By

9 *Jaclyn Howard*